FISCAL IMPACT STATEMENT ON BILL NO. **H4319**
(Doc. No.18941bb08.doc)

TO:	The Honorable Robert E. "Bob" Walker, Chairperson, House Education and Public Works Committee
FROM:	Office of State Budget, Budget and Control Board
ANALYSTS:	Trey Kannaday
DATE:	January 16, 2008 SBD: 2008008

AUTHOR:	Representative White	PRIMARY CODE CITE: 59-65-10
SUBJECT:	Compulsory Attendance Age Increase	

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:
House Bill 4319 requires a child to attend a public or private high school until the child reaches eighteen years of age or graduates from high school.

EXPLANATION OF IMPACT:
The State Department of Education (SDE) estimates that overall student attendance would increase by 900. This would constitute a direct cost to the Education Finance Act (EFA) and related fringe benefits of $2,441,894. (900 students X 1.25 WPU X $2,578 BSC X .70 State Portion X 1.2028 for related EFA Fringe).

In addition, the General Assembly may, at it discretion, adjust other program funding levels based on the increased enrollment. Other K-12 education program funding, such as EAA Technical Assistance, Student Health and Fitness, instructional materials and transportation contribute to the overall cost per student of $9,187 (estimated for FY 2008-09) which includes all sources of School District funds (State, Local School District and federal). State revenues (General funds and EIA) account for 45% of the $9,187 total per student. Therefore, if the General Assembly chose to adjust all other program funding based on the additional 900 students the total impact could be estimated at $3,720,735 ($9,187 X 900 X .45 State Portion). This would be an additional $1,278,841 ($3,720,735 - $2,441,894) above the direct impact on the Education Finance Act.

LOCAL GOVERNMENT IMPACT:
None.

SPECIAL NOTES:
None.

Approved by:

Harry Bell
Assistant Director, Office of State Budget

H4319.doc